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Lieutenant Governor

State of Utah

DEPARTMENT OF NATURAL RESOURCES

MICHAEL R. STYLER
Executive Director

Division of Oil, Gas and Mining

JOHN R. BAZA
Division Director

October 26, 2010

Harold Roberts
Denison Mines (USA), Inc.
1050 17th Street, Suite 950
Denver, Colorado 80265

Subject: Evaluation of Reclamation Surety, Denison Mines, Pandora Mine, M/037/0012, San Juan County, Utah

Dear Mr. Roberts:

The Division of Oil, Gas and Mining has evaluated the reclamation surety for the Pandora mine and has determined that no adjustment in the surety is required at this time. The Division's last reclamation cost estimate for the Pandora mine was completed in 2005 and escalated to 2010 dollars. The Division will now consider that the surety bond is escalated to September 20, 2015.

The Division intends to do a more thorough review of the reclamation cost estimate as it reviews the combined notice of intention for the Pandora and La Sal/Snowball mines.

Please call me at 801-538-5261 or Tom Munson at 801-538-5321 if you have questions about this action.

Sincerely,

Paul B. Baker
Mining Program Manager

PBB:pb

cc: marie_mcgann@blm.gov
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